Agenda Item No. 2A1 September 17, 2013

**CLERK OF THE BOARD** 

2013 SEP -6 PM 2: 36

Clerk of the Board
Date and Time Recorder Stamp

CLERK, CHROUT & COUNTY OF A MIAMI-DADE COUNTY, FLA.

OFFICE OF THE MAYOR MIAMI-DADE COUNTY, FLORIDA

**VETO AND VETO MESSAGE** 

To:

Honorable Chairman Rebeca Sosa and

Members of the Board of County Commissioners

Miami-Dade County, Florida

From:

Carlos A. Gimenez, Mayor

Miami-Dade County, Florida

Pursuant to the authority vested in me under the provisions of Section 2.02.D of the Miami-Dade County Home Rule Charter, I hereby veto Resolution No. R-649-13 adopted at the August 29, 2013 Board of County Commissioners Meeting:

RESOLUTION RESOLVING COLLECTIVE BARGAINING IMPASSE BETWEEN MIAMI-DADE COUNTY AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, SOLID WASTE EMPLOYEES, LOCAL 3292

#### **VETO MESSAGE**

On Thursday, August 29, 2013, the Board of County Commissioners (Board) approved Resolution No. R-649-13, which eliminated the current five (5) percent contribution of base wages that employees covered by the American Federation of State, County and Municipal Employees, Solid Waste Employees, Local 3292 (AFSCME - 3292) pay towards the County's cost of healthcare, effective January 1, 2014. In essence, this Board action provides pay raises for the members of AFSCME-3292. The Administration had recommended the continuation of the contribution of five (5) percent of their base wages.

I do, however, want to commend and thank the Board for their support of the Administration's recommendation to continue the other concessions also addressed in this resolution.

I believe that the elimination of the five (5) percent contribution raises numerous issues. First and foremost, I believe that this resolution sets a dangerous precedent for the seven bargaining units with a reopener for the same five (5) percent contribution. The Administration will be negotiating this issue with seven of our unions in the coming months. Given the budgetary

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constraints that we have in the General Fund and Library District, restoration of the five percent contribution to these additional unions would result in a \$22 million budget gap in the General Fund alone for the upcoming Fiscal Year 2013-2014. The following fiscal year, that figure increases to almost \$30 million. To fill the gap for FY 2013-2014, there would need to be significant service reductions and layoffs, including police.

Another issue is that of equity and fairness. By restoring the five percent contribution to the members of AFSCME -3292, two classes of County employees are being created - those working in General Fund departments and those in proprietary departments. Additionally, different classes of employees in the SAME department are being created. AFSCME-3292 has 634 members, all within the Public Works & Waste Management Department (PWWM). PWWM has, in its entirety, over 1,700 employees. Those remaining employees of PWWM belong to other unions, or do not belong to a bargaining unit. Though working side-by-side, one group would continue contributing the five percent, while another would not. Some have argued that the Solid Waste function is proprietary and the elimination of the five (5) percent employee contribution would not affect General Fund dollars. While that may be true, the dollars impacted come from our Solid Waste customers - residents of Miami-Dade County. We must always remember that while proprietary funds are not General Fund dollars, they come from customers, and by in large, those customers are our residents. I would also remind you that there can be very negative consequences of restricted funding sources as evidenced this year with the service and personnel cuts in the Library District and possible service and personnel cuts in the Fire District.

I was moved by the personal stories of financial challenges that our employees face. Unfortunately, those economic struggles are shared by countless families throughout our community. They too have seen their paychecks shrink, or disappear altogether, their homes foreclosed, and faced difficult decisions about paying bills or buying groceries. While our local economy is improving and heading in the right direction, our recovery is a fragile one. This is reflected in the very modest growth in our property tax rolls. As Mayor, I must always consider what I believe is best for our entire community, not just County employees. While I may agree with Commissioners who believe that we must take into consideration our lowest paid employees, I do not agree that restoration of the current five percent contribution is the proper method. This does not differentiate between the AFSCME-3292 employee making \$23,700 annually to the AFSCME-3292 employee making \$58,600 per year. I believe this can, and should be, addressed through the collective bargaining process. The issue of low-paid employees is not isolated to AFSCME-3292. In fact, I am confident that each union with the five (5) percent contribution reopener will make the very same argument on behalf of their low paid members. I am prepared and committed to working with ALL of our unions on this issue during the upcoming negotiations for the next three-year contract. What I am not prepared to do is support across- the-board raises for one group of employees while laying off 169 library employees.

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# **CLOSING**

Since being elected Mayor in 2011, my Administration has been committed to being fiscally responsible and striking a balance between the services our community need and what they can afford to pay. This has meant the need for shared sacrifice by all of us as we work towards a sustainable budget. For County employees, this has meant the continuation of the five (5) percent contribution to the County's overall cost of healthcare that was implemented in Fiscal Year 2009-2010. Again, it should be noted that each employee's five (5) percent contribution to healthcare is not for their own cost of healthcare, but the County's total cost of healthcare. I would remind you that the five (5) percent pre-tax contribution to healthcare was agreed to by the unions in lieu of a four (4) percent salary reduction in order to preserve their base salary for separation pay-out and pension purposes. As I have repeatedly stated, we are not asking our employees for any additional concessions or contributions, but we are not in a financial position to give anything back. Our focus has been, and remains, establishing a sustainable budget that will guide Miami-Dade County forward this year and beyond.

As always, my Administration stands ready to work with the Board, and our union partners, as we strive to make decisions that are in the very best interest of those we serve, the residents of Miami-Dade County.

## OFFICIAL FILE COPY CLERK OF THE BOARD OF COUNTY COMMISSIONERS MIAMI-DADE COUNTY, FLORIDA



Amended

Special Item No. 2

Date:

August 29, 2013

To:

Honorable Chairwoman Rebeca Sosa

and Members, Board of County Emmissioners

From:

Carlos A, Gimenez

Mayor

Subject:

Recommendation for Resolving the Collective Bargaining Impasse Between Miami-Dade County and the American Federation of State, County and Municipal

Employees, Solid Waste Employees, Local 3292

Resolution No. R-649-13

Recommendation

It is recommended that the Board of County Commissioners (Board) resolve the Collective Bargaining Impasse between Miami-Dade County and the American Federation of State, County and Municipal Employees, Solid Waste Employees (AFSCME), Local 3292 (Union), by approving the continuation of concessions in the form of suspension of Leadworker pay, change in the calculation of overtime from daily to weekly, suspension of Safety Incentive/Bonus Plan, reduction in the annual Uniform Allowance from \$250 to \$125, one (1) pay step reduction to the Night Shift Differential; suspension of Safe Driving Awards, suspension of a one (1) pay step supplement for Trash Truck Driver 1 – Roll Off Vehicle and the \$20 flat rate for Waste Equipment Operators negotiated into the parties' 2011-2014 Collective Bargaining Agreement.

#### Scope

The impact of this agenda item is countywide.

#### Fiscal Impact/Funding Source

The FY 2013-14 Proposed Budget is predicated upon the continuation of the five percent (5%) contribution of employee's base wages towards the County's cost of healthcare as well as concessions in the form of suspension of Leadworker pay, change in the calculation of overtime from daily to weekly, suspension of Safety Incentive/Bonus Plan, reduction in the annual Uniform Allowance from \$250 to \$125, one (1) pay step reduction to the Night Shift Differential; suspension of Safe Driving Awards, suspension of a one (1) pay step supplement for Trash Truck Driver 1 — Roll Off Vehicle and the \$20 flat rate for Waste Equipment Operators implemented as a result of the 2011-2014 Collective Bargaining Agreement. If these concessions do not continue, specific to AFSCME Local 3292, the fiscal impact to the FY 2013-14 Proposed Budget is \$1.4 million; \$1.1 million for the five percent (5%) employee base wage contribution and \$303,000 for the reopeners referenced in the Impasse Section of this memorandum.

During negotiations, the Administration proposed concessions and the contribution of five percent (5%) of base wages be kept in place in light of our continued budgetary challenges. The Administration's position to retain the current concessions is based on its commitment to maintain the current level of service throughout FY 2013-14.

The Union disagrees with this proposal. The parties have agreed to submit their dispute directly to the Board as an impasse item for resolution in accordance with State law.

## Track Record/Monitor

The Director of Labor Management and Compensation, Michael Snyder, monitors and oversees the administration of this Collective Bargaining Agreement.

Honorable Chairwoman Rebeca Sosa and Members, Board of County Commissioners Page 2

# Background

On January 12, 2012, the Board ratified the successor 2011-14 Collective Bargaining Agreement between AFSCME Local 3292 and the County. This Agreement, in-part, provided for the following:

- suspension of Leadworker pay;
- change in the calculation of overtime from daily to weekly;
- suspension of Safety Incentive/Bonus Plan;
- reduction in the annual Uniform Allowance from \$250 to \$125;
- one (1) pay step reduction to the Night Shift Differential;
- suspension of Safe Driving Awards; and
- suspension of a one (1) pay step supplement for Trash Truck Driver 1 Roll Off Vehicle and the \$20 flat rate for Waste Equipment Operators.

These agreed to concessions were implemented and benefits reduced through September 30, 2014. However, either party had the right to reopen the Agreement to negotiate whether these concessions would continue in the third year of the Collective Bargaining Agreement (FY 2013-14) by scheduling negotiations beginning on June 4, 2013 and continuing through July 8, 2013. Additionally, the monies comprising the healthcare contribution was to be reinstated effective January 1, 2014, but the County had the right to reopen this provision for the purpose of negotiating whether the employee contribution will be continued. In the event that agreement on continuation of the above-described concessions and the continued contribution to the cost of healthcare could not be reached, the collective bargaining agreement provides that the Special Magistrate process be waived and that the dispute be submitted to the Board at the second regular meeting in July 2013.

#### **Impasse**

The parties are at Impasse over the continuation of the employees' five percent (5%) healthcare contribution effective January 1, 2014 and the other above-described concessions through the third year of the 2011-14 Collective Bargaining Agreement. The parties have agreed to waive the Special Magistrate process and submit their dispute directly to the Board for resolution. As such, the Administration is presenting to the Board its recommendation to continue these employee concessions through September 30, 2014.

This recommendation is not made lightly. The continuation of the five percent (5%) healthcare contribution and the other concessions will continue to have a financial impact on employees, but they are necessary in order to maintain the same service levels at our current projected revenues. The County's FY 2013-14 Proposed Budget assumes that all union concessions will continue for FY 2013-14. Potential impacts can be mitigated by adopting the Administration's impasse recommendation.

Under Florida law, the action taken by the Board will be presented to the bargaining unit members for a ratification vote. A successful ratification vote will result in the continuation of the five percent (5%) healthcare contribution effective January 1, 2014 and the other described concessions for the third year of the Collective Bargaining Agreement. If the bargaining unit fails to ratify the action taken by the Board at impasse, the decision of the Board will be imposed for one year.

Below is a summary of the contractual changes affecting the employees covered by this Collective Bargaining Agreement. The terms of these changes do not affect employees' base pay and employees will continue to be eligible for merit increases and longevity bonuses during the third year of the Agreement. Upon ratification or implementation of the Collective Bargaining Agreement, the following provisions will continue:

Honorable Chairwoman Rebeca Sosa and Members, Board of County Commissioners Page 3

## Term of Agreement

This is a three year contract for the period of October 1, 2011 through September 30, 2014.

#### Wages

 All employees in Bargaining Unit classifications will continue to contribute five percent (5%) of base wages towards the County's cost of healthcare as of January 1, 2014.

#### Leadworker

 The Leadworker supplement of one (1) pay step will continue to be suspended through September 30, 2014.

#### Overtime

O Work performed by non-job basis (hourly) employees in excess of 40 hours of straight time work per week will be paid at the overtime rate. This provision will be continued through September 30, 2014. This overtime calculation complies with the provisions of the Fair Labor Standards Act (FLSA).

## Safety Incentive/Bonus and Safe Driving Awards

 Safety Incentive/Bonus and Safe Driving Awards will continue to be suspended through September 30, 2014.

### Uniform Allowance

o The annual Uniform Maintenance Allowance will continue to be reduced from \$250 to \$125 through September 30, 2014.

# Night Shift Differential

 Night Shift Differential pay will be reduced from two (2) pay steps to one (1) pay step through September 30, 2014.

## • Other Special Wage Provisions

 The one pay step supplement for Trash Truck Driver 1 – Roll Off Vehicle and the \$20 flat rate for Waste Equipment Operator will continue to be suspended through September 30, 2014.

## **Board Resolution**

At the Board of County Commissioner's meeting on August 29, 2013, the Board accepted the Mayor's recommendation in part and rejected it in part. The Board accepted the Mayor's recommendation to continue the following concessions:

- suspension of Leadworker pay;
- change in the calculation of overtime from daily to weekly:
- suspension of Safety Incentive/Bonus Plan;
- reduction in the annual Uniform Allowance from \$250 to \$125;
- one (1) pay step reduction to the Night Shift Differential;
- · suspension of Safe Driving Awards; and
- suspension of a one (1) pay step supplement for Trash Truck Driver 1 Roll Off Vehicle and the \$20 flat rate for Waste Equipment Operators.

The Board rejected the Mayor's recommendation to continue the five percent (5%) contribution toward healthcare. Accordingly the five percent (5%) healthcare contribution will end effective December 31, 2013.

Edward Marquez Deputy Mayor

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# **MEMORANDUM**

(Revised)

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Honorable Chairwoman Rebeca Sosa

and Members, Board of County Commissioners

DATE:

August 29, 2013

FROM:

R. A. Cuevas, Jr. County Attorney

SUBJECT: Amended Special Item No. 2

Please note any items checked.				
to the state of th	"3-Day Rule" for committees applicable if raised			
<del>11 ; 11000   11.1</del>	6 weeks required between first reading and public hearing			
	4 weeks notification to municipal officials required prior to public hearing			
***	Decreases revenues or increases expenditures without balancing budget			
· · · · · · · · · · · · · · · · · · ·	Budget required			
-	Statement of fiscal impact required			
-	Ordinance creating a new board requires detailed County Mayor's report for public hearing			
	No committee review			
	Applicable legislation requires more than a majority vote (i.e., 2/3's, 3/5's, unanimous) to approve			
	Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required			

Approved	Mayor	Amended Special Item No. 2
Veto 9-6-13		8-29-13
Override		

# RESOLUTION NO. R-649-13

RESOLUTION RESOLVING COLLECTIVE BARGAINING IMPASSE BETWEEN MIAMI-DADE COUNTY AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, SOLID WASTE EMPLOYEES, LOCAL 3292

WHEREAS, Miami-Dade County and the American Federation of State, County and Municipal Employees, Solid Waste Employees, Local 3292 entered into a collective bargaining agreement for the period 2011-2014; and

WHEREAS, the parties' agreement includes reopeners regarding the continuation of certain economic concessions contained in Article 23 Leadworker, Article 36 Overtime Compensation, Article 41 Wages, Article 39 Safety Incentive/Bonus Plan, Article 43 Uniforms, Article 48 Night Shift Pay Differential, Article 50 Safe Driving Awards, and Article 69 Special Wage Provisions, of the Agreement; and

WHEREAS, the County and Local 3292, have negotiated for a reasonable period of time on whether the continuation of concessions implemented as a result of the 2011-2014 Collective Bargaining Agreement would continue in the third (3rd) year of the Agreement (FY 2013-14); and

WHEREAS, the parties have reached an impasse in their negotiations on nine (9) items: the continuation of the five percent (5%) contribution of employee's base wages towards the County's cost of healthcare, the suspension of Leadworker pay, the change in the calculation of overtime from daily to weekly, the suspension of Safety Incentive/Bonus Plan, a reduction in the annual Uniform Allowance from \$250 to \$125, a one (1) pay step reduction to the Night Shift

Amended Special Item No. 2 Page No. 2

Differential, the suspension of the Safe Driving Awards, and a suspension of a one (1) pay step supplement for Trash Truck Driver 1 – Roll Off Vehicle, and the \$20 flat rate for Waste Equipment Operators; and

WHEREAS, the parties have jointly agreed in writing to waive the appointment of a special magistrate and proceed directly to resolution of the impasse by the Board of County Commissioners; and

WHEREAS, this Board has conducted a public hearing at which the parties were required to explain their positions regarding the impasse in negotiations; and

WHEREAS, this Board, pursuant to Fla. Stat. Sec. 447.403, is required to take such action as it deems to be in the public interest, including the interest of the public employees involved, to resolve the disputed impasse issues,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves and ratifies the County Mayor's recommendations for settling the collective bargaining impasse for the reasons set forth in the County Mayor's Memorandum except for the five percent contribution towards the County's cost of healthcare. Accordingly, the five percent contribution toward healthcare will cease effective December 31, 2013, and the following concessions will remain in effect for the remainder of the contract: the suspension of Leadworker pay, the change in the calculation of overtime from daily to weekly, the suspension of Safety Incentive/Bonus Plan, the reduction in the annual Uniform Allowance from \$250 to \$125, the one (1) pay step reduction to the Night Shift Differential, the suspension of the Safe Driving Awards, and the suspension of a one (1) pay step supplement for Trash Truck Driver 1 — Roll Off Vehicle, and the \$20 flat rate for Waste Equipment Operators. The Mayor or his designee on behalf of the

Amended Special Item No. 2 Page No. 3

County and the American Federation of State, County and Municipal Employees, Solid Waste Employees, Local 3292 shall reduce to writing an agreement which includes those issues previously agreed to by the parties and the disputed impasse issues resolved herein. The written agreement shall be signed by the County Mayor and submitted to the bargaining unit for signature and ratification. A successful ratification vote will result in the continuation of the described concessions for the third (3rd) year of the 2011-14 Agreement. If the bargaining unit fails to ratify the action taken by the Board at impasse, the decision of the Board will be imposed for one (1) year from the date of this resolution.

The foregoing resolution was offered by Commissioner Xavier L. Suarez

who moved its adoption. The motion was seconded by Commissioner Barbara J. Jordan

and upon being put to a vote, the vote was as follows:

Rebeca Sosa, Chairwoman			nay
Lynda Bell, Vice Chair			
Bruno A. Barreiro	aye	Esteban L. Bovo, Jr.	nay
Jose "Pepe" Diaz	absent	Audrey M. Edmonson	aye
Sally A. Heyman	aye	Barbara J. Jordan	aye
Jean Monestime	aye	Dennis C. Moss	aye
Sen. Javier D. Souto	nay	Xavier L. Suarez	aye
Juan C. Zapata	nay		•

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The Chairperson thereupon declared the resolution duly passed and adopted this 29<sup>th</sup> day of August, 2013. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA BY ITS BOARD OF COUNTY COMMISSIONERS



HARVEY RUVIN, CLERK

By:\_\_\_\_

Deputy Clerk

Approved by County Attorney as to form and legal sufficiency.



Lee Kraftchick